

OFFICE OF BUSINESS OPPORTUNITY

Department Description and Mission

The Office of Business Opportunity (OBO) is committed to cultivating a competitive and diverse economic environment in the City of Houston by promoting the success of small businesses and developing Houston's workforce, with special emphasis on historically underutilized businesses and disenfranchised individuals. The department creates a culture of efficiency, transparency and cooperation amongst all stakeholders while executing its mission with an eye towards equity. The ultimate goal of these efforts is to reduce internal and external barriers in contracting and other opportunities.

OBO strives to execute its mission by:

- Attracting a diverse array of Certification applicants in various industries;
- Administering reputable Certification and Hire Houston First Programs while providing unparalleled service delivery;
- Ensuring that prime contractors consistently meet and exceed Minority, Women, Disadvantaged Business Enterprises (MWDBE) Goals on contracts;
- Providing measurable and impactful small business development services and capacity building programs;
- Tracking progress towards achieving citywide aspirational Minority, Women, Business Enterprises (MWBE) goals, on the departmental level, in order to foster accountability and transparency through metrics and analytics; and
- Facilitating job skills training coupled with job placement.

The primary services offered by OBO comprise of:

Certification and Designation Division: Certifies businesses for participation on City and federally funded projects. The types of certifications include Minority, Women, Small Business Enterprise (MWSBE), and Persons with Disabilities Business Enterprises (PDBE), as well as Disadvantaged Business Enterprises (DBE) and Airport Concession Disadvantaged Business Enterprises (ACDBE), collectively, "certified firms." As a result of their certification, these businesses may be eligible to participate for MWSBE, DBE or ACDBE goal credit on goal-oriented and regulated City contracts. Additionally, the division facilitates the certification of Historically Underutilized Businesses (HUB) on behalf of the State of Texas. The Division also designates businesses as a part of the Hire Houston First Program so that they may be eligible for a local preference in the awarding of City contracts.

Contract Compliance Division: Enforces local and federal labor standards and prompt payment requirements on contracts in addition to monitoring with MWBE and DBE contracts to ensure compliance with the City's written Good Faith Efforts policy. Relatedly, OBO's Department Services unit, evaluates MWBE goal waivers, proposed contract MWDBE goals and pre-award MWBE participation plans. This unit assists departments with setting contract-specific goals based on market availability of certified firms and divisible work on each project. The Department Services team also facilitates the Department Services Training Institute which provides departments with information about common compliance issues and best practices. Along with OBO's Contract Compliance Division, the unit provides periodic training to the contracting community.

External Affairs and OBO Solutions Center: Raises awareness of OBO's services and City contracting opportunities through regular presentations to the public at targeted events, bimonthly newsletters and weekly email notifications. This unit provides one-on-one business development assistance to certified firms. The OBO Solutions Center, with the assistance of community partners, provides free assistance including business development counseling, financial advice, legal counseling, business resource guides and business training workshops to businesses in all stages of development that would like to obtain information on how to start, own, operate and/or grow their own businesses. OBO's business development and capacity building programs and partnerships are managed and administered by the External Affairs team. These programs include Build Up Houston, Accelerate Latinx, Turnaround Entrepreneurship Program and Liftoff Houston, an annual business plan competition.

Turnaround Houston Initiative/Workforce Development: OBO's External Affairs team and Workforce Development efforts are also housed within this program. As a part of the Turnaround Houston Initiative, OBO coordinates resource fairs, connects individuals to wrap-around services, facilitates legal clinics and provides entrepreneurial assistance to individuals that are chronically unemployed and/or formerly incarcerated. The Initiative has expanded to include the development of a workforce inclusion plan focused on augmenting the local workforce through targeted employment-ready training programs for underemployed and hard to employ individuals and connecting those individuals to tangible opportunities.

Title VI Compliance: OBO is responsible for overseeing citywide compliance with Title VI of the Civil Rights Act of 1964, ensuring that on a departmental level, there is equitable access to the City's programs, activities and services so that every citizen has the greatest opportunity to achieve and obtain the foundations necessary for self-sufficiency and success. All City departments are responsible for ensuring that no person is subjected to discrimination, excluded from participation in or denied the benefits of its services on the basis of race, color, national origin, sex, age, creed, disability, or English language proficiency.

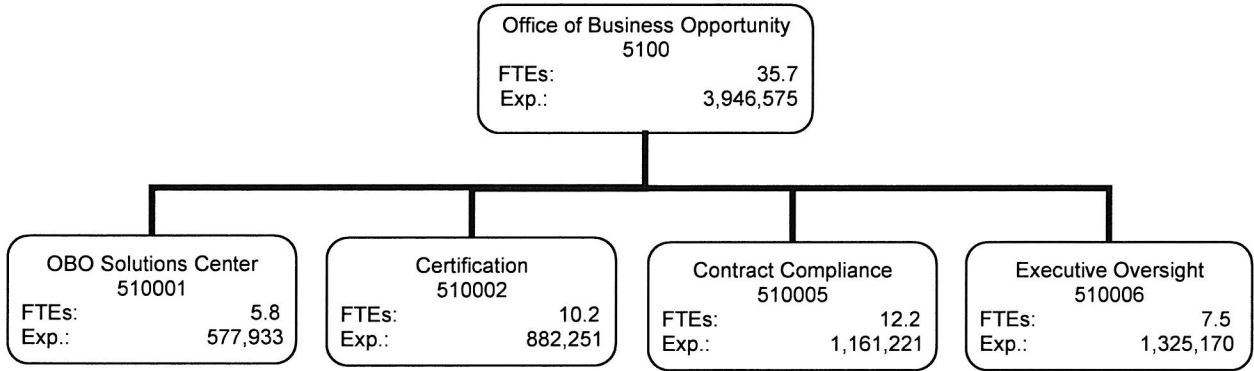
Department Short Term Goals

- Execute a comprehensive workforce development strategy leveraging existing and new resources.
- Enhance and expand existing capacity building initiatives to meet the identified needs of the business community.
- Develop a repository of resources to assist businesses in enhancing their recovery and resiliency.
- Develop strategic partnerships with local organizations to increase program visibility and patronage of our services by the business community.
- Continue to decrease the certification application processing time, with target overall application processing time of no more than 90 days.
- Continue to reengineer the process, policies and procedures for Contract Compliance monitoring to ensure that expectations are clear for all stakeholders, with an eye towards quality and customer service. Leverage technology to create additional efficiencies.
- Continue implementation of new policies and procedures.
- Explore new revenue sources including whether fees should be charged to businesses for our services (e.g., local Certification application and/or recertification, capacity building programs).

Department Long Term Goals

- Continually update internal policies and procedures to include current and best practices.
- Use current technology to:
 - Significantly reduce our carbon footprint in all our business areas.
 - Create efficiencies in work performance and leverage full reporting capabilities.
 - Enhance our communication with the public in a COVID-19 and post-pandemic environment through virtual programming.

Department Organization



FISCAL YEAR 2022 BUDGET

Business Area Budget Summary

Fund Name : General Fund
Business Area : Office of Business Opportunity
Fund No. /Bus. Area No. : 1000 / 5100

		FY2020 Actual	FY2021 Current Budget	FY2021 Estimate	FY2022 Budget
Expenditures	Personnel Services	3,039,672	3,261,114	3,305,567	3,488,248
	Supplies	20,504	30,000	30,168	21,868
	Other Services and Charges	275,024	386,313	341,692	436,459
	Total M & O Expenditures	3,335,200	3,677,427	3,677,427	3,946,575
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	3,335,200	3,677,427	3,677,427	3,946,575

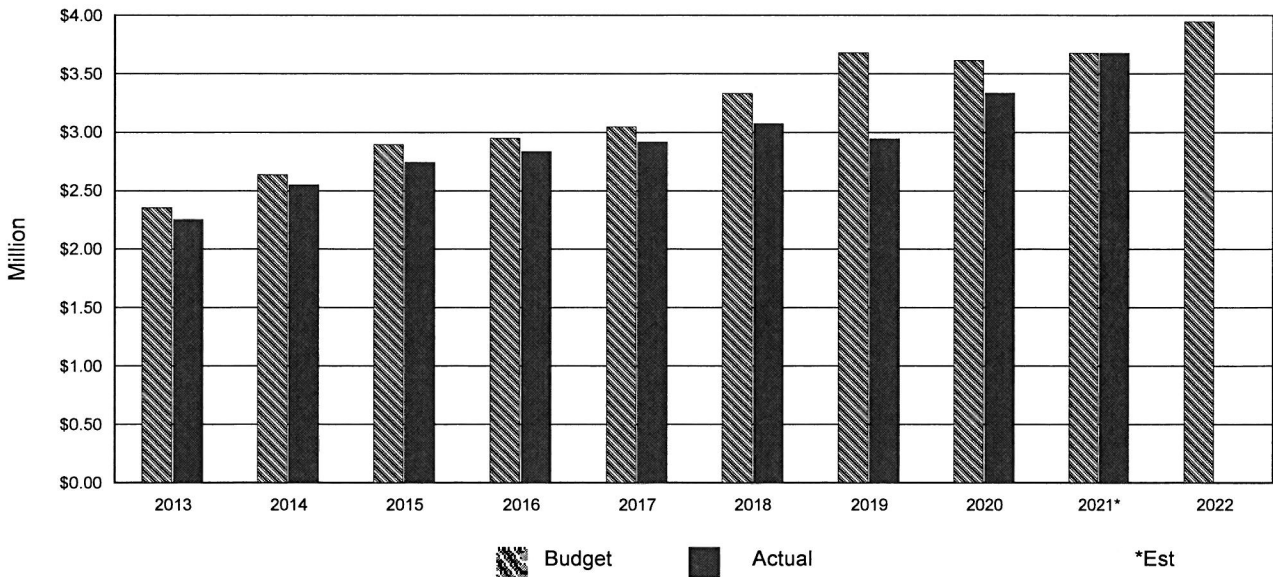
Revenues	558,849	615,214	605,214	612,907
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Staffing	Full-Time Equivalents - Civilian	31.7	34.4	34.0	35.7
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	31.7	34.4	34.0	35.7
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0

Significant Budget Changes and Highlights

- o The FY2022 Budget provides funding for health benefits and pension contribution.
- o The FY2022 Budget includes restoration of prior year's funding level from COVID-19 eligible redeployment costs that were funded out of the Coronavirus Relief Fund (CRF) under the CARES Act 2020.

**Office of Business Opportunity
Current Budget vs Actual Expenditures**



FISCAL YEAR 2022 BUDGET

Business Area Performance Measures

Fund Name : General Fund
Business Area : Office of Business Opportunity
Fund No. /Bus. Area No. : 1000 / 5100

Performance Measures	FY2020 Actual	FY2021 Target	FY2021 Estimate	FY2022 Target
Certification Processing Timeframe (days)	83	120	105	120
MWSBE Contract Participation - Construction	28%	27%	34%	34%
MWSBE Contract Participation - Professional Services	35%	24%	24%	24%
MWSBE Contract Participation - Purchasing	10%	9%	11%	11%
New Certified Firms	280	300	486	300
New Hire Houston First Designations	308	250	458	300
Expenditures Adopted Budget vs Actual Utilization	94%	98%	96%	98%
Revenues Adopted Budget vs Actual Utilization	88%	100%	98%	100%

FISCAL YEAR 2022 BUDGET

Division Summary							
Fund Name : General Fund							
Business Area : Office of Business Opportunity							
Fund No. /Bus Area No. : 1000 / 5100							
Division Description	FY2020 Actual		FY2021 Estimate		FY2022 Budget		
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$	
OBO Solutions Center 510001 Raises awareness of OBO's services and City contracting opportunities through regular presentations to the public at targeted events, quarterly newsletters and weekly email notifications. Provides one-on-one business development assistance to certified firms. Administers several capacity-building programs and an annual business plan competition.	4.1	405,506	5.6	562,697	5.8	577,933	
Certification 510002 Certifies businesses for participation on City and federally funded projects. The types of Certifications include Minority, Women, and Small Business Enterprises, as well as Disadvantaged Business Enterprises. Facilitates the certification of Historically Underutilized Businesses on behalf of the State of Texas.	21.9	2,399,075	7.9	736,692	10.2	882,251	
Contract Compliance 510005 Monitors City contracts to ensure that Good Faith Efforts are made to meet MWBE and DBE Goals, with the exception of HCDD and HAS contracts. Enforces local and federal labor standards, including prevailing wage compliance, and prompt payment requirements on contracts.	5.7	530,619	12.5	1,079,700	12.2	1,161,221	
Executive Oversight 510006 Includes OBO's Executive Leadership Team, Title VI Coordinator, and department-wide analytics and policy making. Establishes and implements the strategic direction and long-term goals of the department, manages all budget and personnel matters for all department divisions, serves as the face of the department when engaging with the Administration, City Council, contractors, and the general public.	0.0	0	8.0	1,298,338	7.5	1,325,170	
Total	31.7	3,335,200	34.0	3,677,427	35.7	3,946,575	

FISCAL YEAR 2022 BUDGET

Business Area Revenues Summary

Fund Name : **General Fund**
Business Area : **Office of Business Opportunity**
Fund No./Bus. Area No. : **1000 / 5100**

Category	FY2020 Actual	FY2021 Current Budget	FY2021 Estimate	FY2022 Budget
Charges for Services	1,364	600	600	500
Direct Interfund Services	524,706	594,614	594,614	592,407
Miscellaneous/Other	32,779	20,000	10,000	20,000
Grand Total Revenues	<u>558,849</u>	<u>615,214</u>	<u>605,214</u>	<u>612,907</u>